APPROVED

Fitchburg State University

Minutes

Board of Trustees Finance & Administration Committee Meeting

Date and Time
Friday January 27, 2023 at 2:00 PM

Location
Presidents' Hall, Mazzaferro Center, 291 Highland Ave., Fitchburg, MA 01420

Notice of a meeting of the Fitchburg State University Finance and Administration Committee on Friday, January 27, 2023 at 2:00 p.m., Presidents' Hall, Mazzaferro Center, 291 Highland Ave., Fitchburg, MA 01420

Committee Members Present
D. Phillips, E. Gregoire (remote), K. Spinelli (remote), M. Fiorentino, Jr. (remote)

Committee Members Absent
D. Tiernan

Ex Officio Members Present
R. Lapidus

Guests Present
C. Estrella, F. Barricelli, G. Doiron, J. Bry, J. Murdoch, J. Wolfman, L. Barrieau (remote), L. Bayless, M. Bruun, M. McKenzie, P. Marshall, R. Toomey, S. Swartz

I. Opening Items

A.

Record Attendance

B. Call the Meeting to Order

D. Phillips called a meeting of the Finance Committee Committee of Fitchburg State University to order on Friday Jan 27, 2023 at 2:02 PM.

C. Approve Minutes

K. Spinelli made a motion to approve the minutes from Board of Trustees Finance & Administration Committee Meeting on 10-18-22.
E. Gregoire seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
D. Phillips	Aye
K. Spinelli	Aye
M. Fiorentino, Jr.	Aye
E. Gregoire	Aye
D. Tiernan	Absent

II. Elect a Chair

A. Elect a Chair

D. Phillips nominated K. Spinelli as Chair of the Finance Committee.

M. Fiorentino made a motion to nominate K. Spinelli as Chair of the Finance Committee.
E. Gregoire seconded the motion. The committee VOTED to approve the motion.

III. Finance and Administration

A. Review the faculty union's petition

D. Phillips stated that the main purpose of this meeting is to discuss the faculty petition.

J. Bry noted that the presentation before the Board today was presented at Faculty Development Day. He explained the slides in detail. He explained tuition, fees and waivers. He talked about the MSCA petition, and he noted that he had asked the campus community to submit questions and that they were addressed in the presentation. He discussed various reductions. He noted that the university needs to figure out what the undergraduate enrollment numbers will realistically be moving forward in addition to other revenue streams. The Sustainability Task Force is being constructed with representation from all three unions. He next discussed the make-up of the non-unit professional positions compared to the faculty.

J. Murdoch noted that our sister schools do things differently and it's difficult to compare across the state university segment.

There was a discussion on recruiting and retention of employees.

J. Bry next discussed debt and the way it's recorded, and where the data is pulled from, along with how much debt the university is carrying and how to manage it over the next few years. He stated that a number of projects that are carrying debt are soon to be paid off. Again, he noted that comparing one campus to the next is not always accurate. He discussed the composite financial index. At the moment, he indicated that the university is holding significant reserves.

He discussed net operating revenues and return on net asset ratios.

L. Barrieau asked if this presentation was well received at Development Day? J. Bry responded that he thought it was. It was his sense that the main concern is what does this all mean to the individual and is their job at risk. He stated that the campus is facing a hardship but not a crisis. He thought the campus understood the enrollment situation and financial reserves.

P. Marshall stated the faculty welcomed the presentation although they did have questions about the budget and faculty replacements.

Phillips thought that the presentation and conversation was a very fair assessment of the situation and that all items on the petition were addressed. The President talked about the petition and said that we have placed a hiring freeze on non-unit senior professionals. We are accepting requests for the replacement of faculty positions, but lower enrollment may impact hiring of those positions. He said there are no secrets on the budget processes.

There was a discussion.

D. Phillips said that the President, J. Bry and J. Murdoch are all accessible. The finance information is up-to-date on the Financial Services webpage.

The President said by next week the task force will be announced and ready to solicit membership from the campus community. There have been multiple presentations on what is the state of university finances and other happenings on campus.

M. Fiorentino inquired about the budget memo recently distributed to the campus community that indicated that the budget would be level funded. He asked what enrollment number was used for the level funded budget.

J. Bry did not have a specific number at the time, but said it did include the decline in enrollment.

E. Gregoire asked what is the charge to the task force and what are the types of recommendations that the board may receive?

The President stated we are modeling after some other schools and are receiving input from a consultant. He said the process is a funnel that starts with high level input and becomes more specific and detailed over time. All members of the campus have an opportunity to provide input. The process will take initial recommendations and provide them to subcommittees that will dive deeper into proposed areas of opportunity or efficiency. Information will be collected for the subcommittees so they can prioritize the various recommendations with actual university data.

E. Gregoire said that the exercise is important but that he was still concerned about the short term. The President said that the university has been tightening for years and is continuing to seek opportunities to do more. E. Gregoire asked if the revenue gap was being filled with reserves?

J. Bry responded that primarily the university will be using reserves, and that each individual position will be looked at. He discussed level funding and plans for the budget this year. We need more direction with FY24 especially with the new governor.

There was a discussion. The Trustees affirmed that we cannot live off of reserves long term and that there will need to be some very difficult conversations given over half of the budget goes to personnel. The Trustees stated they would like to remain involved.

D. Phillips stated that regarding the response to the petition, there is nothing needed to be recommended at the next Board meeting. She will provide a report on the outcomes from the committees' review of the petition.

IV. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 3:05 PM.

Respectfully Submitted,
D. Phillips